

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0400-02
Bill No.: HCS for SB 42
Subject: Education, Elementary and Secondary; Children and Minors; Teachers
Type: Original
Date: April 18, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
General Revenue	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
Total Estimated Net Effect on General Revenue Fund	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Elementary and Secondary Education (DESE)** stated the proposal will pose no extra costs to the state or local school districts. By not requiring districts to continue to provide services to a child using a provider that may be more expensive than one of their own employees, there is a possibility of some state savings in costs for the early childhood special education program (which the state pays 100%) provided by districts. DESE cannot estimate the potential savings.

Officials from the **Office of Secretary of State (SOS)** assumed the rules, regulations and forms issued by the Department of Elementary and Secondary Education could require as many as 8 pages in the *Code of State Regulations*. For any given rule, roughly half again as many pages are published in the *Missouri Register* as in the Code because cost statements, fiscal notes and the like are not repeated in the Code. These costs are estimated. The estimated cost of a page in the *Missouri Register* is \$23. The estimated cost of a page in the *Code of State Regulations* is \$27. The actual costs could be more or less the SOS's estimated cost of \$492 for FY 2006. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules, filed, amended, rescinded or withdrawn.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of

ASSUMPTION (continued)

regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Special School District of Saint Louis County** indicated there would be administrative costs associated with this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
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GENERAL REVENUE

<u>Savings</u> - Department of Elementary and Secondary Education - Early Childhood Special Education Program Costs	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
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ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

Current law expresses that school districts may coordinate with public, private, and private not-for-profit agencies for the delivery of efficient early childhood special education. This proposal changes the aforementioned "may" to "shall".

The proposal specifies that school districts providing early childhood special education shall continue services, at the parent's request, with Part C providers under the federal Individuals with Disabilities Act (IDEA) for the remainder of the school year when developing an individualized educational program (IEP) for a student, unless this would result in a cost which exceeds the district's costs of providing that same service. The proposal removes the current law provision

DESCRIPTION (continued)

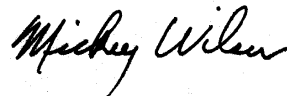
which specifies that preference be given to the continuation of services with the student's provider unless the average per-student cost of the early childhood education in the district is exceeded.

Further, the proposal requires parents to notify a district six months prior to their child's third birthday in order to allow the district to plan for appropriate staffing needs, and the act requires school districts to give Part C providers an opportunity to adjust its charges so that they are less than the district's cost of providing that same service. The proposal requires that IEP teams consider an outside evaluation (if such is furnished by the parents) when determining initial eligibility for a child who is transitioning into Part B of IDEA.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education
Office of Secretary of State
Administrative Rules
Special School District of Saint Louis County



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Director
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